

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:690  
ANSWERED ON:04.03.2005  
RAISING RESOURCES FROM CAPITAL MARKET  
Ramadass Prof. M

**Will the Minister of FINANCE be pleased to state:**

- (a) the alternate trading platform if any, created by the Government to enable small and medium enterprises to raise equity and debts from the capital market;
- (b) the quantum of resources raised by these enterprises State-wise from the capital market;
- (c) whether there are practical difficulties for these enterprises to raise resources from the capital market; and
- (d) if so, the measures taken by the Government in this regard?

**Answer**

MINISTER OF STATE FOR FINANCE (SHRI S.S. PALANI MANICKAM)

(a) Pursuant to the announcements made in Budget 2004-05, Stock Exchange, Mumbai, (BSE) and Federation of Indian Stock Exchanges (FISE) have implemented a project for creation of a trading platform for Small And Medium Enterprises (SMEs). This platform i.e. BSE IndoNext is envisaged to provide single order book for SME securities listed across BSE and all Regional Stock Exchanges (RSEs) of India.

(b),(c) and (d) : The trading platform has only recently been set up. All companies desirous of raising funds from the primary market are required to comply with the provisions of SEBI (Disclosure & Investor Protection) Guidelines, 2000 (DIP Guidelines), inter-alia, including eligibility norms, disclosures and other requirements as laid down therein. Any company, irrespective of it being big or small, can raise money through primary issue of securities provided it meets the eligibility criteria and complies with the provisions of the DIP Guidelines. Apart from complying with the DIP Guidelines, the companies are also required to satisfy the listing conditions of the stock exchanges where they propose to list their shares.

From the data available so far the daily average turnover in IndoNext is Rs.66.76 crores.